

ORIGINAL



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2011 APR -6 P 4: 28

AZ CORP COMMISSION  
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**BEFORE THE ARIZONA CORPORATION COMMISSION**

IN THE MATTER OF THE APPLICATION  
OF ARIZONA WATER COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE FAIR VALUE  
OF ITS UTILITY PLANT AND PROPERTY,  
AND FOR ADJUSTMENTS TO ITS RATES  
AND CHARGES FOR UTILITY SERVICE  
FURNISHED BY ITS WESTERN GROUP  
AND FOR CERTAIN RELATED  
APPROVALS.

DOCKET NO. W-01445A-10-0517

**ARIZONA WATER COMPANY'S  
MOTION FOR CLARIFICATION  
OF PROCEDURAL ORDER**

Arizona Corporation Commission

**DOCKETED**

APR - 6 2011



Arizona Water Company hereby moves for clarification and/or supplementation of the March 25, 2011 Procedural Order entered in this matter. The Order accurately sets forth several terms and conditions of the settlement reached between Arizona Water Company and Commission Staff regarding the pending sufficiency issues that were set to be argued at the March 24 procedural conference, though it omits several terms and conditions that were central to the parties' agreement. Arizona Water Company and Staff continue to agree on these additional terms and conditions. The Procedural Order needs to be clarified and/or supplemented to add them so that the record is complete.

First, the parties agreed that Arizona Water Company's upcoming Eastern Group rate application would include at least six months of operating experience under current rates, and Staff agreed in turn not to assert that A.A.C. R14-2-103 prohibits two open rate cases by

1 one utility for different groups.<sup>1</sup> Second, Staff agreed that it would not move to consolidate  
2 the new Eastern Group rate application case with this Docket. Finally, Staff agreed that it  
3 would not seek to suspend the time clock for determination of sufficiency in Arizona Water  
4 Company's upcoming Eastern Group rate application filing for having only six months of  
5 data with current rates or for having two rate applications being processed concurrently.

6 Staff also indicated to the Company that it would use its best efforts to process the  
7 Western Group rate application within 360 days of finding it sufficient, but that if the  
8 Company filed a rate application for the Eastern Group during the same time period it may  
9 be more difficult for Staff to process both applications within 360 days of finding each of  
10 the applications sufficient.

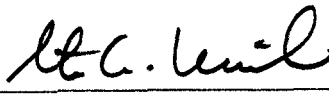
11 Undersigned counsel has conferred with counsel for Commission Staff and  
12 confirmed that Staff affirms its agreement with these terms. Staff also agrees that these  
13 terms were set forth among the settlement terms in this Docket at the close of the  
14 proceedings on March 24. Staff further indicates that it does not oppose this Motion.

15 For the foregoing reasons, Arizona Water Company respectfully submits that the  
16 March 25, 2011 Procedural Order should be clarified and/or supplemented with the  
17 foregoing settlement terms, which were acknowledged on the record and were central to the  
18 parties' resolution of the pending sufficiency issues in this matter. Even though they relate  
19 to commitments made with regard to a case that has yet to be filed, they form a crucial part  
20 of the consideration for the agreements reached to resolve the pending issues in this case,  
21 and should be incorporated into the Docket in this case as part of the resolution of those  
22 issues.

23  
24  
25 <sup>1</sup> Arizona Water Company recognizes that the Procedural Order referenced in  
26 footnote 1, page 4, that agreements were reached pertaining to the Company's upcoming  
27 Eastern Group rate application, but the Order did not specify those agreements as it did the  
28 other agreements reached to resolve the pending sufficiency issues. The agreements that  
related to the Eastern Group filing could be addressed in that footnote or in the text, but  
should be spelled out as part of the Order in any event.

1 RESPECTFULLY SUBMITTED this 6<sup>th</sup> day of April, 2011.

2 BRYAN CAVE LLP

3  
4 By 

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9 Attorneys for Arizona Water Company

10 **ORIGINAL** and 13 copies of the foregoing  
11 filed this 6<sup>th</sup> day of April, 2011, with:

12 Docket Control Division  
13 Arizona Corporation Commission  
14 1200 W. Washington Street  
15 Phoenix, AZ 85007

16 **COPIES** of the foregoing hand-delivered  
17 this 6<sup>th</sup> day of April, 2011, to:

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19 Chief Administrative Law Judge  
20 Hearing Division  
21 Arizona Corporation Commission  
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